VZCZCXRO0995 OO RUEHBI RUEHCI RUEHLMC DE RUEHLM #1554/01 3201055 ZNY CCCCC ZZH O 161055Z NOV 07 ZFR ZFR ZFR ZFR FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC IMMEDIATE 7201 INFO RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1570 RUEHKT/AMEMBASSY KATHMANDU PRIORITY 5688 RUEHKA/AMEMBASSY DHAKA PRIORITY 0535 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 7522 RUEHLO/AMEMBASSY LONDON PRIORITY 4128 RUEHBY/AMEMBASSY CANBERRA PRIORITY 0980 RUEHOT/AMEMBASSY OTTAWA PRIORITY 1221 RUEHFR/AMEMBASSY PARIS PRIORITY 0127 RUEHWL/AMEMBASSY WELLINGTON PRIORITY 0023 RUEHGP/AMEMBASSY SINGAPORE PRIORITY 5707 RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY 0337 RUEHBK/AMEMBASSY BANGKOK PRIORITY 3331 RUEHCG/AMCONSUL CHENNAI PRIORITY 8123 RUEHBI/AMCONSUL MUMBAI PRIORITY 5716 RUEHCI/AMCONSUL KOLKATA PRIORITY 0363 RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RHMFISS/FBI WASHINGTON DC PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RUEHLMC/MILLENNIUM CHALLENGE CORPORATION PRIORITY RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEHGV/USMISSION GENEVA PRIORITY 2453 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0695

C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 001554

SIPDIS

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DEPT FOR SCA/INS, S/CT, AND EEB/ESC/TFS
TREASURY/TSDN FOR J PHILIPP, P LURIE AND M DRAKE

E.O. 12958: DECL: 11/16/2012

TAGS: KTFN PTER PREL SL

SUBJECT: SRI LANKA: TRO DESIGNATION WELCOMED BY GOVERNMENT

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PLEASE ZFR COLOMBO MRN 1554 IMI 1554. NEW ADDRESSEES HAVE BEEN ADDED AND CABLE HAS BEEN RESENT UNDER COLOMBO MRN 1565.

BLAKE

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the government's "military agenda," the Ambassador disagreed, stating the designation was an action against the financing of terrorism and did not change the U.S. view that no military solution to the conflict was possible. To a question regarding the view that the LTTE had in the past not negotiated for peace in good faith, the Ambassador noted that the United States' recent provision of radar and small craft was intended to make the LTTE realize that it would not become easier for the group to replenish its arms, and that the LTTE should not expect to get a better political deal by prolonging the conflict. Asked the value of the TRO assets frozen, the Ambassador replied that we do not release that information.

TAMIL HERO SAYS PEOPLE WILL SUFFER

16. (SBU) Also today, Ambassador met with elderly Sri Lankan Olympic and cricket hero Nagalingam Ethirveerasingham, a Tamil who has close connections to the TRO and some in the LTTE leadership. Ethirveerasingham was subdued about the TRO designation, saying it came as a surprise. He added that the impact of the freeze was less significant to the LTTE than to displaced persons and tsunami victims, who would suffer as a result of it. He said he hoped the TRO might be able to establish that it was fully independent of the LTTE, just as his own sports organization had by having its own governing council, financial means, and operations manual. He expected that TRO would engage lawyers to explore appeal or de-listing.

AUSTRALIA, CANADA, UK NOT SURPRISED

- \P 7. (C) DCM and EconOff on November 15 informed the Australian, Canadian, and British High Commissioners of the forthcoming TRO designation. None had heard from their capitals about consultations that the USG had initiated on the topic, but they were not surprised to hear of the United States' planned action. All agreed that TRO does genuine humanitarian work but appeared likely to have functional links to the LTTE. Australian High Commissioner French said that his government had conditioned financial assistance to partners in Sri Lanka on none of the money going to the LTTE or the TRO. Canadian High Commissioner Bogdan thought the U.S. freeze on TRO might cause the group to shift its activities to Canada to make up the shortfall in revenue from the United States. Acting British High Commissioner Owen-Edmunds asked what the implications of the asset freeze $\,$ would be on multilateral organizations like UNICEF, some of which worked with the TRO.
- 18. (SBU) Action Request: Post would still welcome guidance, if possible, on the implication of the designation for multilateral organizations like UNICEF which funded TRO relief work in the past. We do not have details, but it appears possible that some multilateral agencies may continue to have programs involving TRO as an implementing partner.
- 19. (C) Comment: Post will report further on media, government, and public reactions to the TRO designation. It is already clear that, as expected, the government is playing the U.S. action as a major show of support for the government

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and against the LTTE. Tamil politicians are also reacting through a political lens. Upcountry People's Front Member of Parliament P. Radhakrishnan, who is a member of the governing coalition, told PolOff he was disappointed with the U.S. action, which would "strengthen the hand of the government against minorities." BLAKE